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IN THE

# Supreme Court of the United States

OCTOBER TERM, 1989

HENRY HOLT AND COMPANY, INC.,

*Petitioner,*

vs.

NEW ERA PUBLICATIONS INTERNATIONAL, APS,

*Respondent.*

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

## BRIEF AMICI CURIAE OF PEN AMERICAN CENTER AND THE AUTHORS GUILD, INC., IN SUPPORT OF PETITION FOR CERTIORARI

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# BRIEF AMICI CURIAE PEN American Center and The Authors Guild, Inc. in Support of Petition for Certiorari

## THE INTEREST OF THE AMICI CURIAE *

PEN American Center ("PEN") is an organization of 2,400 novelists, poets, essayists, translators, playwrights, and editors, chartered to defend free and open communication within all nations

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* Letters of consent to the filing of the within amicus brief are being lodged with the Clerk of the Court simultaneously with the filing.

and across national boundaries. American PEN has taken a leading role in attacking restrictive laws, rules, regulations and practices that censor, curb, or limit freedom of speech or expression in the nation.

The Authors Guild, Inc. is the major national society of professional authors, representing more than 6,500 members throughout the nation. One of the Guilds' principal purposes is to express its members' views in cases involving fundamental questions of both freedom of expression and copyright law.

Both amici recognize that the proper application of the copyright law assists authors -- and ultimately the public -- by protecting creative works from unauthorized copying and by giving authors an economic incentive to create those works. Properly enforced, the

copyright law serves the interests of authors and readers alike. In this case, however, the copyright law has been interpreted so expansively as to limit the freedom to write about historical events and current affairs. Because the decision sought to be reviewed, by its overprotective ruling on the scope of the fair use doctrine relating to unpublished works, significantly restricts the ability of authors to use primary sources to write about historical figures, the amici support the instant petition for certiorari and urge the Court to issue the writ.

## INTRODUCTION AND SUMMARY OF ARGUMENT

The decision and opinion of the Second Circuit below has created confusion, consternation and concern in the publishing industry in the United States. It affects not only the book

publishing business (which is centered in New York, the jurisdiction covered by the decision), but magazine and newspaper publishers as well, all of whom are without guidance as to the amount of unpublished material they are allowed to quote. The original panel decision appeared to prohibit the quotation of any unpublished material still covered by copyright [2] -- letters, journals, diaries, or notes -- which the author wishes to quote. And if any such copying occurred, the Court below suggested that an injunction must issue

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2. Under 17 U.S.C. §303, the copyright term for all unpublished and uncopyrighted material, no matter when composed and created, shall not expire before December 31, 2002. Thus, the heirs of Thomas Jefferson, Aaron Burr, and James Madison could presumably sue for copyright infringement if the unpublished letters of their forebears were quoted in a book contrary to the rule outlined in the case under review.

prohibiting the sale or distribution of the entire work in which the offending passage is found [3] -- no matter how small in comparison to the entire work.

The panel opinion (written by Judge Miner) seems to have been modified in some respects by the opinion concurring in the denial of rehearing en banc, also authored by Judge Miner (A-225-235). But that opinion adds new confusion on whether only facts may be copied or whether expression used "to enliven the copier's prose" may also be taken (A-228) and how that distinction can be made. Even that issue is challenged in the opinion dissenting from the denial

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3. "Since [under ordinary circumstances], the copying of 'more than minimal amounts' of unpublished expressive material calls for an injunction barring the unauthorized use, the consequence of the district court's finding seems obvious." (A-19, 235 quoting Salinger, op. cit., 811 F.2d at 96.)

of rehearing en banc (written by Judge Jon O. Newman, the author of the Salinger case, Salinger v. Random House, Inc. 811 F.2d 90 (2d Cir. 1987), which the panel opinion here purported to apply). Judge Newman takes issue with the conclusions drawn in both majority opinions. (A-235-246). Chief Judge Oakes adds still another voice, in his opinion concurring with the original panel decision, dealing with the issue of the circumstances under which an injunction can be issued if fair use is not found.

The result of the conflicting opinions on the issue of how much unpublished material may be quoted in a subsequent history, biography, news-article or story is that publishers must engage in the most extreme self-censorship to avoid any copyright pitfalls in using unpublished material.

As this brief is written, they are doing just that. Ordinary and well-established methods of historical research and writing have been called into question, and biographers and historians are now required to confront a copyright barrier to their use of primary sources -- a result contrary to every canon of proper historical analysis and presentation.

Viewed from the perspective of the copyright decisions of this Court, the Second Circuit opinion flies in the face of this Court's analysis in Harper & Row, Publishers, Inc v. Nation Enterprises, 471 U.S. 539 (1985). That case made clear that the determination of fair use under Section 107 of the copyright law involves a four part test, in which the use of unpublished material bears on only one factor, namely the second factor, the nature of the

copyrighted work (see 17 U.S.C. §107(2)). The Second Circuit, in both Salinger and the case below has converted the four-part test embodied in Section 107 into a one-part test: the only issue that appears to count is whether unpublished material was taken. If more than an undefined "minimal" amount of unpublished material is used, fair use cannot be established and an injunction barring the unauthorized use must inevitably follow. That conclusion cannot be squared with either the words of the statute, this Court's decision in Harper & Row or the need to accommodate First Amendment interests in interpreting the Copyright Law.

## REASONS FOR GRANTING THE WRIT

The amici represent a large proportion, if not most, of the non-fiction writers, biographers and historians

writing professionally in the United States. Their interest in continuing to write books or articles on historical issues and current affairs is jeopardized by the decision below, which seems to suggest that all but the most minimal use of unpublished material covered by copyright -- which includes all material, no matter when created, originally covered by common law copyright and now protected until the year 2002 by the federal Copyright Act, see 17 U.S.C. § 303. The decision below suggests that primary sources (original letters, diaries, journals, notes and other papers written by the subject of the book) may not be used any further by non-fiction writers. Hereafter they may only rely on published sources, where the fair use rules are far more liberal. In short, quotations of unpublished

materials, including letters, are hereafter to be effectively placed off limits to historians, journalists and all other writers. Any such rule would require the historical enterprise to stop with the level of knowledge reached today in our published works.

Such a rule would be disastrous, not only for writers of journalism and history, but for our entire society which depends upon new discoveries of, and in, our past and new analyses of our historical heritage, to assist us in determining our direction for the future. It would be a appalling anomaly if the principles of copyright, which are designed to assure the "progress of science and the useful arts," (Const. Art. I, Sect. 8, cl. 8) are now applied to act as a barrier to that progress.

## I.

## THE COURT OF APPEALS DECISION HAS CREATED HOPELESS CONFUSION AS TO THE SCOPE OF PROTECTION AFFORDED TO TECHNICALLY UNPUBLISHED, PRIMARY SOURCE MATERIAL QUOTED IN WORKS OF HISTORY AND CURRENT AFFAIRS.

Five of the twelve active judges on the Second Circuit (which encompasses New York City, the heart of the publishing industry in this country, if not the world) concluded that the panel decision sought to be reviewed should have been reheard en banc, in "order to avoid misunderstanding on the part of authors and publishers as to the copyright law of this Circuit," (A-235-36). Whether or not authors and publishers misunderstood the ruling, they can hardly be faulted for the depth of their confusion and concern about it.

Speaking for four judges who voted for rehearing, Judge Newman, the author

of the Salinger opinion, which the panel purported to apply, discussed two concerns about the scope of the majority's decision: First, he expressed concern about how much quotation was permissible of unpublished materials "where copying is necessary fairly and accurately to report a fact set forth in the author's writing." (A-239). He noted that "we are not sure precisely what the panel opinion means by this passage [refusing to note any distinction between quotation to show a person's writing style rather than to make a point about his character]." (A-239) Judge Newman felt that this Court's decision in Harper & Row permitted the quotation of material "necessary adequately to convey the facts," (A-241, quoting from 471 U.S. at 557). He found that the panel opinion did not

adequately and sufficiently recognize the force of this Court's statement in the case and that clarification was necessary to insure that accurate quotation from source material was permitted to support a factual argument. In response, Judge Miner refused to acknowledge that any difference existed between quotation to make a point about the person's character and quotation to enliven the text. (A-231) He noted that "small amounts" (undefined) of unpublished material could be quoted in both categories.

Second, Judge Newman noted that the panel opinion did not explain the circumstances when an injunction could be issued, once fair use was found not to apply: "we are not certain that the panel intended its language to be .. understood" to require an injunction to

be issued as a matter of course, if infringement is found. (A-243) In response to this point, Judge Miner, on behalf of the panel, agreed to add the bracketed phrase to the original decision in this matter:

> "Since [under ordinary circumstances] the copying of 'more than minimal amounts' of unpublished expressive material calls for an injunction barring the unauthorized use, id. [Salinger, 811 F.2d] at 96, the consequence of the district court's finding seem obvious." (A-235).

Judge Miner's "clarifications" of these two points does not meet any of Judge Newman's concerns. The addition of the phrase "under ordinary circumstances" does not tell us whether only standard equitable considerations can bar an injunction -- laches, unclean hands and the like -- or whether First Amendment factors unique to the copyright situation apply here.

Judge Newman's careful phrasing of his concern's about the panel opinion cannot hide the hopeless confusion that the opinion has created with respect to the scope of fair use in unpublished material. Aside from the two matters expressed by Judge Newman, the panel opinion and Judge Miner's opinion concurring in the denial of rehearing, reiterates again and again that only "minimal amounts" or "small amounts" of unpublished material can be taken. (A-19, 231, 234). No opinion, however, of the Second Circuit even begins to address the question of how to determine how much may be quoted. Is it some total amount? Or is a percentage to be used? If the latter rule applies, is it a percentage of the material taken from the copyright owner (as the third fair use factor seems to suggest) or a

percentage of material as used by the alleged infringer (as this Court's opinion in Harper & Row suggests)? When one deals with unpublished letters, is the relevant percentage the proportion taken from a single letter (as the Salinger case suggests), or from the total unpublished corpus of the subject of the work, as Judge Oakes suggested in his concurring opinion in New Era? (A-29).

These questions are not academic issues of interest only in law school classes, but vital questions which publishers and authors confront on a day to day basis with respect to every non-fiction book relying on primary sources. They can and do arise not only in book publishing but in newspaper and magazine offices every day. Without guidance from this Court as to the scope of the fair

use doctrine in this area, publishers will engage in the most extreme self-censorship to avoid litigation. Such an approach can lead only to the removal of all offending passages that could conceivably result in a copyright infringement suit and the almost automatic issuance of an injunction if fair use is not found. As Arthur M. Schlesinger, Jr. has written, "The Bare-Faced Messiah decision strikes a blow against the whole historical enterprise..." Schlesinger, "The Judges of History Rule," Wall Street Journal, Oct. 26, 1989, Sec. A, at 16.

II.

THE DECISION BELOW WILL RESULT IN THE CURTAILMENT AND SELF-CENSORSHIP OF HISTORICAL WRITINGS.

The petition for certiorari quotes extensively from professional writers

and researchers who note the dangers to the historical endeavor from application of the legal rule in New Era. We wish to bring to the Court's attention the comments of the author of a recent biography, James Reston, Jr., author of The Lone Star, a biography of John Connally, about the practical impact of the new rule:

> "Since the letters [I wished to quote] came from opened files in a presidential library, it felt as if to discover rich, unpublished material in a kind of research coup was dangerous; to use it was a crime. Good research was a form of entrapment. Better and safer, the law....seemed to be saying, that you rehash the stale stuff that has already appeared in print.
>
> ...I was informed .. that a hostile subject of a biography could not stop publication for supposed libel, but he could enjoin publication for copyright infringement. No author, in my view, could bear that risk...

Letter, dated October 27, 1989, James Reston Jr. to Arthur M. Schlesinger,

Jr., made available to counsel for amici in this matter.

For the guidance of the Court, we note only a few of the recent works of history, biography and current affairs which made use of primary sources and which could not have been written in the same way had the decision below been in force at an earlier time: [4]

| BOOK | PRIZE WON | UNPUBLISHED MATERIAL USED |
|---|---|---|
| "A Bright Shining Lie" by Neil Sheehan | Pulitzer, 1989 | papers of John Vann |
| "Parting the Waters," by Taylor Branch | Pulitzer, 1989 | papers of Martin Luther King, Ralph Abernathy |
| "The Making of the Atomic Bomb" by Richard Rhodes | National Book Award, 1987 | papers of J. Robert Oppenheimer other scientists |

4. Arthur Schlesinger, Jr. recently observed, "[I]f the law were this way when I wrote the three volumes of 'The Age of Roosevelt,' I might still be two volumes short." Newsweek, December 25, 1989, p. 80.

| | | |
|---|---|---|
| "The Power Broker" by Robert Caro | Pulitzer, 1975 | papers of Robert Moses |
| "Luce and His Empire," by W.A. Swanberg | Pulitzer, 1973 | papers of Henry Luce |
| "Huey Long" by T. Harry Williams | Pulitzer, 1970 | papers of Huey Long |

Any rule of law that would jeopardize the research and writing of some of the great works of modern American history and biography cannot be allowed to stand.

## III.

## THE DECISION BELOW IMPROPERLY MADE THE UNPUBLISHED NATURE OF THE QUOTED MATERIAL THE SOLE AND DECISIVE FAIR USE FACTOR.

The crucial legal error made by the Second Circuit was its elevation of the second fair use factor into the sole and decisive issue, contrary to both the words of the Copyright Act and this Court's holding in Harper & Row.

The way in which it has reached this erroneous and dubious dead end, is by its misinterpretation of the fourth fair use factor. In Harper & Row, this Court noted that the fourth factor -- the effect upon the potential market for the copyrighted work -- was "undoubtedly the single most important element of fair use." 471 U.S. at 566. When the Nation article appeared, Time Magazine canceled its contract for first serial rights, thereby depriving Harper & Row of its $12,500 share of the proceeds for the publication. Thus, the fourth factor had to be weighed in favor of the plaintiff in that case.

The Second Circuit, in both the Salinger case and again here, has taken this Court's analysis in Harper & Row far beyond any sensible interpretation of the terms "effect...upon the

potential market." Thus in Salinger, the plaintiff proclaimed that he had no intention of publishing the quoted letters at any time during his lifetime. The Second Circuit responded by stating that "Salinger has the right to change his mind," 811 F.2d at 99. In addition, the Court noted that the author of unpublished letters "is entitled to the opportunity to sell his letters," id. While the Court also agreed that "the book would not displace the market for the letters," the fact that Salinger was quoted many times in the book "will convey the impression [to the public] that they have read Salinger's words" and therefore "some impairment of the market seems likely," id.

It does not take extended analysis to show that the Salinger analysis will apply to any letters of any subject of

any biography. Even if there is no possibility of the subject using his letters in any future work, he "might change his mind." In that case, he should be "entitled to protect the opportunity to sell his letters." If an author has quoted from the letters, he has "conveyed the impression" to the public "that they have read [the subject's] words," thereby impairing the potential market for the subject's own collection of his letters, which he may never write.

In this manner, the Second Circuit has once again turned the craft of biography and history on its head by suggesting that if an author has really informed the public about the subject of their book and indeed, if readers really did learn about that person, this would automatically work against the author as

far as fair use is concerned since it would discourage the public from buying the not-yet-written autobiography of the person being written about. Only if a book told the public nothing about the subject, would the quotation have no effect upon the market for his actual written words.

What the Second Circuit has done, therefore, is to create a legal rule that requires that any quotation from unpublished letters automatically must have an effect upon the potential market for the copyrighted work, and therefore, that the fourth fair use factor must always be weighed in favor of the plaintiff when such material is quoted.

The Second Circuit took this analysis one step further in New Era. In that case, the subject of the biography -- L. Ron Hubbard -- was dead, and there

was no chance for him to use the unpublished material. His unpublished letters and journals were quoted in Bare-Faced Messiah to illustrate the most unflattering and sordid aspects of the man's life and to prove to the world that he was a fraud and a charlatan. His literary executor swore that "any biography that is not objectively favorable to Mr. Hubbard" would not be approved for publication. (A-43) The chances of the critical letters ever being used by the owners of his copyrights was non-existent.

But being bound by the ruling in Salinger that any use of unpublished materials will, by hypothesis, have a potential effect upon the market, the Second Circuit found that factor also favoring the plaintiff. With the fair use scales so loaded against historians

and others who seek to quote from unpublished material, the Second Circuit has effectively transformed the four-part fair use test established by the Copyright Act into a one-part test. That is an error well worthy of review by this Court.

IV.

THE DECISION BELOW IMPROPERLY CONCLUDED THAT AN INJUNCTION SHOULD ISSUE VIRTUALLY AUTOMATICALLY ONCE FAIR USE WAS FOUND NOT TO APPLY.

Perhaps the most disturbing aspect of the decision below was its conclusion that it was "obvious" that an injunction must issue almost automatically once any infringement was found at all. (A-19). It is not obvious to the amici that this is or should be the law, either as a matter of interpretation of the Copyright Act or of the First Amendment. What is obvious is that it is well worth

the effort of this Court to elucidate upon when an injunction may be issued -- or withheld -- in a copyright action.

The Court of Appeals, for example, gave no weight whatever to the amount of material allegedly infringed compared to the work as a whole in determining whether an injunction should issue. Nor did it take any account of the reality pointed out by Judge Oakes that "responsible biographers and historians constantly use primary sources, letters, diaries, and memoranda" and that "it would be irresponsible to ignore such sources of information." (A-48).

Nor was any weight given by the majority to the extraordinarily heavy burden traditionally required under First Amendment principles before a prior restraint will be countenanced.

It is one thing to say that injunctions are available in copyright cases. See New York Times Co. v. United States, 403 U.S. 713, 731 n.1 (1971)(White J., concurring). It is quite another for the issuance of an injunction against speech -- "the most serious and least tolerable infringement on First Amendment rights," Nebraska Press Ass'n. v. Stuart, 427 U.S. 539, 559 (1976) -- to be treated by the Second Circuit as virtually obligatory, whatever the harm that flows to the public as a result and whatever the availability of damages to rectify any copyright violation.

That this need not be the law is plain from District Judge Leval's contrasting effort to balance the competing interests by concluding that:

> When the interests protected by the copyright are in acute conflict with those represented by the First

> Amendment, courts should weight cautiously whether a prior restraint in the form of an injunction is the appropriate remedy. An award of damages or profits designed to secure for copyright owners appropriate rewards of creativity can protect the copyright holder with far less injury to the public interest in freedom of speech than an injunction. (A- 205)

Whatever standard is ultimately adopted -- and the amici unreservedly agree with Judge Leval -- the amici believe that it is essential that the Court clearly articulate the standards which govern the determination of when injunctions may or must issue in copyright cases. Nothing in the Act compels the issuance of an injunction after a finding of a violation. The Act itself states only that if there is a violation, the court "may... grant... final injunctions." 17 U.S.C. § 502.

It is, then, for the courts to determine when injunctions will issue.

As this case illustrates, that determination is well worth plenary consideration by this Court.

## CONCLUSION

For the reasons stated above, the petition for certiorari should issue.

Respectfully submitted,

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